Department of Conservation NEWS RELEASE



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State Unveils New Regulations For Oil and Gas Production Pipelines

SACRAMENTO – New regulations for certain pipelines associated with California oil and gas production have been approved, giving regulators additional tools to protect public health, safety, and the environment.

The <u>new regulations</u> were processed by the Office of Administrative Law, forwarded to the Secretary of State for chaptering, and will become effective on October 1, 2018. They were created in response to <u>Assembly Bill 1420</u> (Salas, 2015), legislation that was crafted after a 2014 natural gas leak in a small pipeline that caused eight families to be evacuated in the Kern County community of Arvin.

"That unfortunate incident revealed a weakness in the regulations," State Oil and Gas Supervisor Ken Harris said. "These new regulations minimize the potential for a similar incident in the future. Ensuring that resources are produced in a manner the protects the public and the environment is our top priority."

The Department of Conservation's Division of Oil, Gas, and Geothermal Resources (DOGGR) will enforce the new regulations. DOGGR oversees the drilling, operation, maintenance, and plugging and abandonment of oil, natural gas, and geothermal wells in California.

The new regulations target active gas pipelines that are at least a decade old in sensitive areas defined by the Public Resources Code – that is, near homes or other occupied structures. They also amend existing requirements for Pipeline Management Plans for both oil and gas pipelines that must now be submitted by operators, ensuring that the plans include complete, up-to-date information and effective protocols to safely maintain pipelines.

The regulations:

♦ Address mechanical integrity testing (MIT) requirements for all in-service gas pipelines, regardless of diameter, that lie within a sensitive area.

- ◆ Require annual inspections for leaks or defects that must be conducted on all active gas pipelines in sensitive areas.
- ♦ Require MITs every two years for gas pipelines at least a decade old in sensitive areas. The new requirements meet the mandates of AB 1420 and allow operators to utilize a number of testing methods that are common industry standards and approved by other state or federal regulators.
- ♦ Require Pipeline Management Plans to be submitted to DOGGR to ensure that risks identified are adequately managed and that the pipeline characteristics and location information necessary to verify pipeline safety is readily available.
- ◆ Provide local government or other state agencies the ability to petition the State Oil and Gas Supervisor to designate specified pipelines as being within a sensitive area.

"This is another facet of the Division's <u>Renewal Plan</u> to modernize, strengthen, improve our oversight of oil and gas production in the state," Harris said. "We also plan to release updated and stronger regulations for underground gas storage and underground injection control in the near future."

Pre-rulemaking discussion drafts of the regulations were unveiled in the summer of 2017. The initial draft regulations were submitted for public comment from September 22-November 10, 2017. Two 15-day comment periods were held after a modification of the text to the proposed regulations, in December 2017 and February 2018.

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